

## **High Wage, Skill, Demand (H3) Occupations Methodology**

### **High Demand/Growth**

High Demand/Growth ratings are based on the long-term occupational projections that cover a 10 year time span. The Nebraska Department of Labor assigns a rating based on three factors; the number of annual openings, the net change in employment and the growth rate. We judge the most important factor in determining opportunity to be the number of actual job openings expected, so this variable gets the highest weight. The second most important factor is determined to be the net change in employment that represents the pure volume of increased numbers of positions expected in the workforce, so this variable gets the second highest weight. The growth rate is determined to be the least important factor and given the lowest weight because while the rate of growth or decline can impact the speed at which jobs may be eliminated or created, the rate itself does not change the number of current job opportunities. These calculations are determined to assign each occupation a rating that is used to then assign a rank to each occupation. High Demand/Growth occupation ratings are calculated separately for the state and each region. Occupations are ranked against other occupations within their region to determine their final rating. Because each area is ranked individually, occupations may have a higher rating in one region than another.

### **High Wage**

The Nebraska Department of Labor produces wages for eight wage categories. The eight categories are: average hourly wage, entry wage, experienced wage, tenth percentile wage, twenty-fifth percentile wage, fiftieth percentile wage, seventy-fifth percentile wage and ninetieth percentile wage. When an occupation has wages at or above the region's all occupations, all industries wage in a category it gets a score for that wage category. If an occupation gets a score in four or more of the categories it is considered high wage.

### **High Skill**

The Bureau of Labor Statistics assigns three measures of education/training to each occupation.

The first is "Education" and has eight possible rankings: No formal educational credential; High school diploma or equivalent; Some college, no degree; Postsecondary non-degree award; Associate's degree; Bachelor's degree; Master's degree; and Doctoral or professional degree.

The second is "Work Experience" and has three possible assignments: None; Less than five years; and five years or more.

The third category is "Job Training" and has six categories: None; Short-term on-the-job training; Moderate-term on-the-job training; Long-term on-the-job training; Apprenticeship; Internship/residency.

Any occupation assigned an "Education" value of Some college, no degree and higher is considered High Skill. In addition occupations with an education level of High school diploma or equivalent and a job training value of Long-term on-the-job training, Apprenticeship, or Internship/residency are rated as high skill.

\*All occupations are ranked and rated against other occupations within their region. This may result in an occupation appearing on the list for one region but not another.\*

Source: Nebraska Department of Labor Office of Labor Market information, October 2016